

PART IV. CAPITAL BUDGET

Summary

PA 25-174, the 2025 bond act, increases General Obligation (GO) bond authorizations by a net of \$2.89 billion in FY 26 and \$3.06 billion in FY 27. The act also increases GO bond authorizations by a total of \$157 million in the out years (FY 28 – FY 32).

The bond act authorizes Special Tax Obligation (STO) bonds, backed by the Special Transportation Fund, of \$1.57 billion in FY 26 and \$1.58 billion in FY 27. It also increases Clean Water Fund (CWF) revenue bond authorizations by \$50 million in FY 26 and \$500 million in FY 27.

Additionally, PA 25-173 authorized a total of \$160 million in FY 26 and \$145 million in FY 27.

Table 1. FY 26 and FY 27 Changes to GO, STO, and CWF Bond Authorizations
In Millions of Dollars

Description	FY 26	FY 27
Public Act 25-174		
General Obligation (GO) Bonds		
New Authorizations	3,239.8	3,084.4
Reductions to Current Authorizations	(299.7)	
Change to prior authorizations in PA 25-174	(50.0)	(29.0)
NET CHANGE TO GO BONDS	2,890.1	3,055.4
Special Tax Obligation (STO) Bonds		
TOTAL STO BONDS	1,574.7	1,581.0
Clean Water Fund (CWF) Revenue Bonds		
TOTAL CWF BONDS	50.0	500.0
Public Act 25-173		
General Obligation (GO) Bonds		
TOTAL GO BONDS	160.0	145.0

STATUTORY DEBT LIMIT

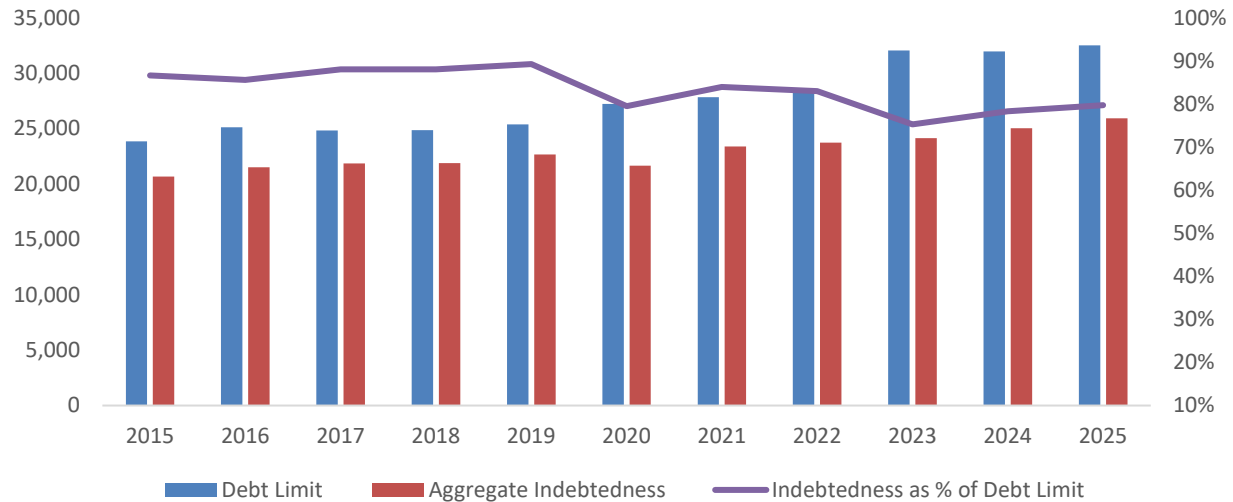
The state's level of General Obligation (GO) Bonds indebtedness to start FY 26 is \$27.74 billion, as estimated by the Treasurer on July 1, 2025. Based on revenue estimates adopted by the Finance, Revenue and Bonding committee during the 2025 legislative session, the level of indebtedness (including the changes in the bond act) is 79.9% of the statutory limit. This is approximately \$3.51 billion below the 90% threshold.

If the 90% threshold is reached, a trigger provision in CGS Sec. 2-27b would require the Governor to review each bond authorization for which no obligations have yet been incurred and recommend priorities for repealing or reducing them to the Finance, Revenue and Bonding Committee. The committee would consider the recommendations and propose whatever legislation it concluded was necessary to repeal or reduce any of the authorizations.

The [Certificate of State Indebtedness](#) issued by the Office of the State Treasurer on July 1, 2025, indicated the following:

Table 2. FY 26 GO Bonds Debt Limit Metrics

Description	Amount
Debt Limit ¹⁰	\$34,715,200,000
Net General Obligation bond indebtedness	\$27,735,985,801
Net indebtedness as a percent of debt limit	79.9%
Capacity remaining before 90% threshold	\$3,507,694,199

Figure 1 State Debt Limit History
In Millions of Dollars

Note: The FY 18 figure is based on revenue estimates adopted on October 25, 2017. The FY 20 figures are based on authorizations adopted as of July 1, 2019. The FY 20 – FY 21 bond package was not adopted until March 2020

Table 3. PA 25-174 New General Obligation (GO) Bond Authorizations, by Agency

PA 25-174 Sec.	Agency/Program	FY 26 \$	FY 27 \$
Agricultural Experiment Station			
2(j)	-	1,200,000	-
Capital Region Development Authority			
2(i)(1)	21(h)(1)	17,000,000	17,000,000
2(i)(2)	21(h)(2)	5,000,000	5,000,000
13(e)(2)	32(e)(2)	20,000,000	20,000,000

¹⁰The debt limit is calculated as 1.6 times the estimated total General Fund tax receipts, which is estimated at \$21,697.9 by the Joint Standing Committee on Finance, Revenue and Bonding of the General Assembly of the State.

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
13(e)(1)	32(e)(1)	Grants-in-aid for the purpose of encouraging development as provided in section 32-602 of the general statutes	31,000,000	25,000,000
Connecticut State Colleges and Universities				
2(p)(1)	-	All community colleges: Deferred maintenance, code compliance and infrastructure improvements	30,000,000	-
2(p)(3)	-	All state colleges and universities: Energy-efficiency program	5,000,000	-
2(p)(2)	-	All universities: Deferred maintenance, code compliance and infrastructure improvements	30,000,000	-
2(p)(4)	-	Gateway Community College: Acquisition, design and construction of facilities for workforce development programs, including such programs for the transportation, alternative energy, advanced manufacturing and health sectors	1,000,000	-
2(p)(5)	-	Naugatuck Valley Community College: Design for the renovation of Kinney Hall	1,000,000	-
2(p)(6)	-	Norwalk Community College: Alterations, renovations and improvements to the B wing building	1,000,000	-
-	21(m)	System telecommunications infrastructure upgrades, improvements and expansions	-	5,000,000
Commission on Human Rights and Opportunities				
13(i)	-	Acquisition, design, construction and renovation of a facility for a civil rights museum	5,000,000	-
Connecticut Technical Education and Career System				
2(n)(1)	21(k)(1)	District-wide facility infrastructure upgrades, security improvements, vehicle and equipment purchases and emergency repairs	30,000,000	30,000,000
2(n)(2)	21(k)(2)	Information technology and support equipment	8,000,000	8,000,000
2(n)(3)	-	For the design and construction of a new Windham Technical High School	113,705,019	-
-	21(k)(3)	For capital improvement projects at E.C. Goodwin Technical High School		35,000,000
Department of Administrative Services				
2(c)(1)	-	Upgrades and modernization of the Capitol Area System	42,000,000	-
-	21(c)(1)	Infrastructure repairs and improvements	-	10,000,000
-	21(c)(2)	For the purchase of equipment, minor improvements and other associated costs for a new data center	-	16,000,000
2(c)(2)	21(c)(3)	Installation of solar photovoltaic systems on state property, excluding state forests, parks, open spaces, farmland and natural area preserves	40,000,000	20,000,000
59		School building projects	550,000,000	550,000,000
Department of Aging and Disability Services				
13(h)	-	Grants-in-aid for aging in place	5,000,000	-
Department of Agriculture				
2(g)	-	Alterations, renovations and improvements to existing state-owned buildings	5,000,000	-

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
13(g)	-	Grants-in-aid to hold land for agricultural preservation purposes	10,000,000	-
Department of Children and Families				
2(r)	21(o)	Alterations, renovations and improvements to existing state-owned buildings	5,000,000	5,000,000
Department of Correction				
2(q)	21(n)	Alterations, renovations and improvements to existing state-owned buildings for inmate housing, programming and staff training space and additional inmate capacity, and for support facilities and off-site improvements	50,000,000	55,000,000
Department of Developmental Services				
2(l)	21(i)	Fire, safety and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including improvements in compliance with current codes, site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning and other interior and exterior building renovations and additions at all state-owned facilities	7,000,000	7,000,000
Department of Economic and Community Development				
13(c)(1)	32(c)(1)	Brownfield remediation and revitalization program	40,000,000	40,000,000
13(c)(2)	32(c)(2)	Connecticut Manufacturing Innovation Fund established by section 32-70 of the general statutes	20,000,000	25,000,000
13(c)(3)	32(c)(3)	Greyfield revitalization program	20,000,000	30,000,000
13(c)(4)	-	Alterations, renovations and improvements at the Tweed-New Haven Airport	10,000,000	-
65		Manufacturing Assistance Act (MAA) - Economic Development and Manufacturing Assistance Act of 1990 and the Connecticut job training finance demonstration program	100,000,000	100,000,000
116		For the purpose of providing grants-in-aid for infrastructure projects necessary to support the development of housing or economic development in rural areas	30,000,000	
Department of Education				
13(d)(1)	-	Grants-in-aid to regional educational service centers and Goodwin University Education Services for capital expenses at interdistrict magnet schools	20,000,000	-
13(d)(2)	32(d)(1)	Grants-in-aid to support in-district programming for students with disabilities	10,000,000	10,000,000
13(d)(3)	32(d)(2)	Grants-in-aid to support a local board of education for a municipality that has a population greater than one hundred forty thousand according to the most recent federal decennial census, provided (A) such municipality is required to appear before the Municipal Finance Advisory Commission, established pursuant to section 7-394b of the general statutes, prior to December 31, 2025, and (B) the Commissioner of Education shall determine the use of such proceeds	5,000,000	5,000,000

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
Department of Emergency Services and Public Protection				
2(d)	21(d)	Alterations, renovations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation projects	10,000,000	50,000,000
64		Nonprofit Security	10,000,000	10,000,000
83		School Security	10,000,000	10,000,000
Department of Energy and Environmental Protection				
2(h)(1)	21(g)(1)	Recreation and natural heritage trust program for recreation, open space, resource protection and resource management	3,000,000	3,000,000
2(h)(2)	21(g)(2)	Alterations, renovations and new construction at state parks and other recreation facilities, including Americans with Disabilities Act improvements	40,000,000	30,000,000
2(h)(3)	21(g)(3)	For water pollution control projects at state facilities and for engineering reports for regional planning agencies	500,000	500,000
2(h)(4)	21(g)(4)	Energy efficiency in state buildings	5,000,000	5,000,000
2(h)(5)	21(g)(5)	Dam repairs, including state-owned dams	2,500,000	2,500,000
2(h)(6)	21(g)(6)	Design costs and purchase of a research vessel	500,000	7,000,000
13(b)(1)	32(b)(1)	Grants-in-aid for containment, removal or mitigation of identified hazardous waste disposal sites	7,600,000	17,000,000
13(b)(2)	32(b)(2)	Grants-in-aid to municipalities for improvements to incinerators and landfills, including, but not limited to, bulky waste landfills	6,800,000	2,900,000
13(b)(3)	32(b)(3)	Grants-in-aid for identification, investigation, containment, removal or mitigation of contaminated industrial sites in urban areas	20,000,000	20,000,000
13(b)(4)	32(b)(4)	PFAS - Grants-in-aid to municipalities for the purpose of providing potable water and for assessment and remedial action to address pollution from perfluoroalkyl and polyfluoroalkyl containing substances	5,000,000	5,000,000
13(b)(5)	32(b)(6)	Various flood control improvements, flood repair, erosion damage repairs and municipal dam repairs	2,500,000	2,500,000
13(b)(6)	32(b)(7)	Grants-in-aid to municipalities for open space land acquisition and development for conservation or recreational purposes	10,000,000	10,000,000
13(b)(7)	-	Grants-in-aid for the removal of Kinneytown Dam	25,000,000	-
13(b)(8)	-	Grants-in-aid to municipalities for renovations and expansion of, and equipment for, solid waste facilities	15,000,000	-
	32(b)(5)	Microgrid and resilience grant and loan pilot program	-	25,000,000
61		Clean Water Fund GO - Grants-in-aid to towns	133,000,000	175,000,000
63		Connecticut bikeway, pedestrian walkway, recreational trail and greenway grant program	10,000,000	10,000,000
72		Multi-Family Retrofitting Projects in Environmental Justice Communities	-	100,000,000
Department of Housing				
9	28	Flexible Housing Program	200,000,000	200,000,000

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
13(j)(1)	32(g)	Grant-in-aid to the Connecticut Housing Finance Authority for the purpose of administering the "Homes for CT" loan program	10,000,000	10,000,000
13(j)(2)	-	Affordable Housing Real Estate Investment Trust pilot program	2,000,000	-
56		Housing Trust Fund	150,000,000	150,000,000
71		For supportive housing for persons with an intellectual disability or other developmental disabilities, including, but not limited to, autism spectrum disorder	10,000,000	-
105		Time to Own program	60,000,000	60,000,000
107		For the purpose of grants or forgivable loans to individuals who are participants in the time to own program for capital improvements to residential properties purchased with the assistance of such program	-	5,000,000
117		For the purpose of financing projects to create employment opportunities in the construction industry by developing affordable housing	12,500,000	12,500,000
119		Middle housing development grant program	50,000,000	50,000,000
120		For the purpose of providing grants-in-aid to landlords who provide housing to formerly incarcerated individuals.	6,000,000	6,000,000
Department of Mental Health and Addiction Services				
2(m)(1)	21(j)(1)	Fire, safety and environmental improvements to regional facilities for client and staff needs, including improvements in compliance with current codes, including intermediate care facilities and site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning and other interior and exterior building renovations and additions at all state-owned facilities	20,000,000	40,000,000
2(m)(2)	21(j)(2)	Design and installation of sprinkler systems, including related fire safety improvements, in direct patient care buildings	10,000,000	15,000,000
2(m)(3)	-	Planning and design for replacement of Whiting Forensic Hospital at Connecticut Valley Hospital in Middletown	50,000,000	-
Department of Motor Vehicles				
2(e)(2)	-	Alterations, including relocation, of the Wethersfield office	15,000,000	-
2(e)(1)	21(e)	Alterations, renovations and improvements to buildings and grounds	10,000,000	2,500,000
Department of Public Health				
2(k)	-	Alterations, renovations and improvements to existing state-owned buildings	500,000	
Department of Transportation				
13(f)	32(f)	Town Aid Road	40,000,000	40,000,000

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
Department of Veterans' Affairs				
2(b)(1)	21(b)	Alterations, renovations and improvements to buildings and grounds, and land acquisition	20,000,000	10,000,000
2(b)(2)	-	Expansion of the Middletown State Veterans Cemetery	7,500,000	-
Judicial Department				
2(s)(1)	21(p)(1)	Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities	10,000,000	10,000,000
2(s)(2)	21(p)(2)	Security improvements at various state-owned and maintained facilities	2,000,000	2,000,000
2(s)(3)	21(p)(3)	Alterations and improvements in compliance with the Americans with Disabilities Act	5,000,000	5,000,000
2(s)(4)	21(p)(4)	Implementation of the Technology Strategic Plan Project	10,000,000	5,000,000
2(s)(5)	21(p)(5)	Development of new courthouses, including land acquisition and parking	25,000,000	25,000,000
2(s)(6)	21(p)(6)	Renovations to juvenile courts and juvenile residential centers	5,000,000	5,000,000
Military Department				
2(f)(1)	21(f)(1)	State matching funds for anticipated federal reimbursable projects	5,000,000	3,000,000
2(f)(2)	21(f)(2)	Alterations, renovations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation	1,000,000	1,000,000
2(f)(3)	-	Construction of a Medical Readiness Center	5,000,000	-
2(f)(4)	-	State matching funds for the anticipated federal reimbursable project at the Theater Aviation Sustainment Maintenance Group in Groton	17,000,000	-
Municipal Redevelopment Authority				
106		For the purpose of capitalization	-	30,000,000
Office of Early Childhood				
122		Grants-in-aid associated with the costs of planning and designing, constructing and renovating child care facilities.	11,500,000	11,500,000
Office of Policy and Management				
2(a)(1)	21(a)	Information Technology Capital Investment Program	75,000,000	75,000,000
2(a)(2)	-	For state-wide flood and resiliency mapping	5,000,000	-
13(a)(1)	32(a)(1)	Distressed Municipalities	7,000,000	7,000,000
13(a)(2)		Grants-in-aid to support municipalities, homeowners and small businesses that have been impacted by a catastrophic event	15,000,000	
13(a)(3)	32(a)(2)	Grants-in-aid to acute care hospitals licensed under chapter 368v of the general statutes for construction of facilities for adult inpatient psychiatric beds	2,500,000	2,500,000
51		Urban Act - Grants-in-aid for urban development projects	200,000,000	200,000,000
52		Small Town Economic Assistance Program (STEAP)		40,000,000
53		Capital Equipment Purchase Fund (CEPF)	40,000,000	40,000,000
54		Local Capital Improvement Fund (LOCIP)	45,000,000	45,000,000

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
55		Grants-in-aid for municipal purposes	150,000,000	150,000,000
118		For the purpose of (1) benefiting the operation of the electric grid in the state, (2) promoting energy efficiency, (3) benefiting ratepayers, (4) reducing the annual costs of hardship protection measures and other hardship protections within the systems benefits charge, as defined in section 16-245l of the general statutes, to the average annual cost of such measures and protections in the five years from 2016 to 2020, inclusive, preceding the COVID-19 pandemic, and (5) funding any electric vehicle charging program established under section 16-244dd of the general statutes	250,000,000	250,000,000
131		District Repair and Improvement Program	30,000,000	30,000,000
Office of Workforce Strategy				
111		For the purpose of supporting workforce innovation and sustainability	30,000,000	-
University of Connecticut				
2(t)(1)	-	Equipment, library collections and telecommunications	5,000,000	-
2(t)(2)	-	Improvements to digital learning infrastructure at a regional campus	3,000,000	-
University of Connecticut Health Center				
2(o)(1)	21(l)(1)	System telecommunications infrastructure upgrades, improvements and expansions	3,000,000	3,000,000
2(o)(2)	21(l)(2)	Equipment, library collections and telecommunications	25,000,000	10,000,000
-	21(l)(3)	Deferred maintenance, code compliance and infrastructure improvements	-	30,000,000
New General Obligation Bonds Total			3,239,805,019	3,084,400,000

Table 4. New Special Tax Obligation (STO) Bond Authorizations

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
Department of Transportation				
40(a)(1)	46(a)(1)	Interstate Highway Program	31,326,000	12,000,000
40(a)(2)	46(a)(2)	Urban Systems Projects	27,400,000	27,500,000
40(a)(3)	46(a)(3)	Intrastate Highway Programs	90,000,000	85,000,000
40(a)(4)	46(a)(4)	Environmental compliance	23,695,000	23,559,000
40(a)(5)	46(a)(5)	State bridge improvement, rehabilitation and replacement projects	70,600,000	40,600,000
40(a)(6)	46(a)(6)	Capital resurfacing and related reconstruction	175,000,000	185,000,000
40(a)(7)	46(a)(7)	Fix-it-First program to repair the state's bridges	220,000,000	238,600,000
40(a)(8)	46(a)(8)	Fix-it-First program to repair the state's roads	159,600,000	193,000,000
40(a)(9)	46(a)(9)	Local Transportation Capital Improvement Program	80,000,000	80,000,000
40(a)(10)	46(a)(10)	Town Aid Road (TAR) Program	40,000,000	40,000,000
40(a)(11)	46(a)(11)	Local Bridge Program	20,000,000	20,000,000
40(a)(12)	46(a)(12)	Highway and bridge renewal equipment	41,035,214	41,035,214
40(a)(13)	46(a)(13)	Community Connectivity and alternative mobility program	15,000,000	15,000,000
40(a)(14)	46(a)(14)	Transportation Rural Improvement Program	10,000,000	10,000,000
40(a)(15)	46(a)(15)	For the purchase and installation of advanced wrong-way driving technology	20,000,000	20,000,000
40(a)(16)	46(a)(16)	Work Zone Speed Control	5,000,000	5,000,000
40(a)(17)	46(a)(17)	Service Plazas	11,750,000	11,750,000
40(b)(1)	46(b)(1)	Bus and rail facilities and equipment, including rights-of-way, other property acquisition and related projects	277,430,000	284,850,000
40(b)(2)	46(b)(2)	Northeast Corridor (NEC) Modernization Match Program	100,000,000	100,000,000
40(b)(3)	46(b)(3)	Grants for commercial rail freight lines	10,000,000	10,000,000
40(b)(4)	46(b)(4)	Waterways	6,000,000	11,000,000
40(c)	46(c)	Department facilities	140,880,000	127,060,000
New Special Tax Obligation Bond			1,574,716,214	1,580,954,214

Table 5. New Clean Water Fund (CWF) Revenue Bond Authorizations

PA 25-174 Sec.		Agency/Program	FY 26 \$	FY 27 \$
Department of Energy and Environmental Protection				
62		Clean Water Fund Revenue - Low-interest loans to towns	50,000,000	500,000,000
Clean Water Fund Revenues Bonds Total			50,000,000	500,000,000

Table 6. GO Bond Cancellations or Reductions, by Authorizing Act or Statute
In Dollars

Agency/Program	PA 25- 174 Sec.	Original Authorization	Prior	Change	New
Department of Administrative Services					
Grants-in-aid for school air quality improvements	58	PA 22-118 360	375,000,000	(138,500,000)	236,500,000
Grants-in-aid to Alliance districts to assist in paying for general improvements to school buildings	90	PA 17-2 (JSS) 408(b)	18,000,000	(18,000,000)	-
Grants-in-aid to priority school districts for projects, including reimbursements of expenditures, that are not eligible under section 10-287d of the general statutes	93	PA 20-1 13(b)	30,000,000	(30,000,000)	-
	96	PA 20-1 32(b)(2)	25,000,000	(25,000,000)	-
Purchase of electric vehicles and the construction and installation of electric vehicle charging infrastructure at state facilities	104	PA 23-205 2(d)(4)	35,000,000	(10,000,000)	25,000,000
Department of Economic and Community Development					
CTNext recapitalization	74	PA 21-111 92	20,200,000	(20,000,000)	200,000
For the CareerConneCT workforce training programs	99	PA 21-111 13(c)(4)	20,000,000	(10,000,000)	10,000,000
	101	PA 21-111 32(c)(4)	20,000,000	(20,000,000)	-
Office of Policy and Management					
Design and implementation of consolidation of higher education systems with the state's CORE system	82	PA 13-239 21(a)(1)	5,000,000	(3,000,000)	2,000,000
Development and implementation of databases in the CORE financial system associated with results-based accountability	86	PA 15-1 2(d)(1)	3,000,000	(350,000)	2,650,000
	88	PA 15-1 21(c)(1)	3,500,000	(850,000)	2,650,000
Paid Family and Medical Leave Insurance Authority					
Grants-in-aid for capitalizing the Family and Medical Leave Insurance Trust Fund	94	PA 20-1 13(k)	25,000,000	(8,980,265)	16,019,735
	97	PA 20-1 32(k)	25,000,000	(15,000,000)	10,000,000

Table 7. Changes to Prior GO Authorizations Effective in FY 26 & FY 27

Prior Authorizations	Program & Modifying Sections	FY 26 \$	FY 27 \$
Department of Economic and Community Development: Community Investment Fund 2030			
PA 21-111 112	Prior	175,000,000	175,000,000
PA 25-174 67	Change	(54,000,000)	(54,000,000)
	New	121,000,000	121,000,000
Department of Housing: Crumbling Foundations Assistance Fund			
PA 17-2 (JSS) 553	Prior	25,000,000	-
PA 25-174 73	Change	-	25,000,000
	New	25,000,000	25,000,000
University of Connecticut: UCONN 2000			
PA 95-230 7	Prior	124,000,000	116,000,000
PA 25-174 78-80	Change	4,000,000	-
	New	128,000,000	116,000,000

Table 8. PA 25-173 New General Obligation (GO) Bond Authorizations, by Agency

PA 25-173 Sec.	Agency/Program	FY 26 \$	FY 27 \$
Department of Energy and Environmental Protection			
34	Grants or loans through the advanced nuclear reactor site readiness funding program	5,000,000	-
Office of Policy and Management			
1	For the purpose of reducing the annual costs of hardship protection measures and other hardship protections within the systems benefits charge	125,000,000	125,000,000
2	For the purpose of funding any electric vehicle charging program implemented pursuant to section 16-244dd of the general statutes	30,000,000	20,000,000

Table 9. GO Authorizations After FY 27

PA 25-174 Sec.	Agency/Program	FY 28 \$	FY 29 \$	FY 30 \$	FY 31 \$	FY 32 \$
121	Office of Early Childhood: Grants-in-aid for designing, constructing and renovating child care facilities	11,500,000	11,500,000	11,500,000	11,500,000	11,000,000
73	Department of Housing: Crumbling Foundations Assistance Fund	25,000,000	25,000,000	25,000,000	-	-
117	Department of Housing: For employment opportunities in the construction industry by developing affordable housing	12,500,000	12,500,000	-	-	-